

# Base Plan Retirement Benefits

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## Base Plan Retirement Eligibility

When you are eligible to retire depends on how many months of service you have, your age and whether you are a general member, a police officer/PERSI firefighter, a member with mixed general and police/firefighter service, or an elected or appointed official. There are several types of retirement, each with its own requirements for eligibility. The types of retirement are:

- **Service Retirement**
- **Early Retirement** (including the Rule of 80/90)
- **Disability Retirement**

## Service Retirement

Service Retirement Age is the age at which you may retire with a full, unreduced benefit. You may take service retirement if you:

- End employment on or after reaching Service Retirement Age, AND
- Have 60 months of service.

## OR

- Have 60 months of service, AND
- End employment before reaching Service Retirement Age and defer drawing your pension until you reach Service Retirement Age.

## Service Retirement Age Requirements

- Age 65 ..... General Member
- Age 60 ..... Police Officer/PERSI Firefighter
- Age 60-65 Member with Mixed General and Police Officer/Firefighter Service

You are not required to take retirement when you reach Service Retirement Age. You may continue working as long as you wish. Your benefits continue to build as long as you continue to work. If you work past age 70, you may also qualify for a late-retirement increase .

You may take Early Retirement (retire before reaching Service Retirement Age) with an unreduced allowance if you meet the Rule of 80/90. (See page 24.) If you have mixed service, see page 32.

## Service Retirement for Elected and Appointed Officials

If you reach Service Retirement Age while you are an elected or appointed official working less than 20 hours per week, you may take a service retirement even if you continue to serve as an elected or appointed official. If you do so, all contributions will stop and you will accrue no additional retirement credits. However, you will continue to draw your salary while drawing a retirement benefit.

Elected and appointed officials establish membership with five consecutive months of credited service.

You may retire with a full, unreduced benefit when you reach "Service Retirement Age."

This is age 65 if you are a General Member, and age 60 if you are a Police Officer/PERSI Firefighter.



# Base Plan Service Retirement Formula

Your Base Plan retirement benefit is based on your Highest Average Monthly Salary (gross salary) over a Base Period and your total Months of Service. A Base Period is the period of consecutive months during which you received your Highest Average Monthly Salary (Chart A). This is usually at the end of your career, but may have occurred earlier. The number of months used in a Base Period has changed over the years, improving the benefit formula. To find the number of months used in your Base Period, find what was, or will be, your date of last contribution (the date you stop working).

$$\begin{array}{rcl}
 & \text{Average Monthly Salary} & \\
 & \text{During Base Period (A)} & \\
 \times & \text{Multiplier (B)} & \\
 \times & \text{Months of Credited Service} & \\
 \hline
 = & \text{Annual Benefit} & \\
 \div & 12 \text{ Months} & \\
 \hline
 = & \text{Monthly Benefit} & 
 \end{array}$$

Your benefit will only be computed using the formula in Idaho law at the time of your last contribution. You must be working on or after the effective date of a formula for those factors apply to your benefit.

## The formula used to calculate your Base Plan retirement benefits

$$\begin{array}{rcl}
 \text{Your Average Monthly Salary} & & \\
 \text{During Base Period (A)} & & \underline{\hspace{2cm}} \\
 \\ 
 \text{Multiplier (B)} & \times & \underline{\hspace{2cm}} \\
 \\ 
 & = & \underline{\hspace{2cm}} \\
 \\ 
 \text{Months of Credited Service} & \times & \underline{\hspace{2cm}} \\
 \\ 
 \text{Annual Benefit} & = & \underline{\hspace{2cm}} \\
 \\ 
 & \div 12 & \\
 \\ 
 \text{Monthly Benefit} & = & \underline{\hspace{2cm}}
 \end{array}$$

## Minimum and Maximum Benefit

**Minimum** – A minimum benefit insures that if you are eligible for service or disability retirement you will not receive less than a certain amount.

**Maximum** – There is a cap on the maximum your benefit may be. Your monthly retirement benefit may not be higher than your highest 36-month average salary.

**A**

### Average Monthly Salary During Base Period (gross salary)

Your Highest Average Salary over this many Consecutive Months

Date of Your Last Contribution	Number of Consecutive Months of Highest Average Salary to use in your Formula
Up to September 30, 1992 .....	60 month base period
October 1, 1992 to September 30, 1993 .....	54 month base period
October 1, 1993 to September 30, 1994 .....	48 month base period
October 1, 1994 and after .....	42 month base period

**B**

### Multiplier

#### Date of Your Last Contribution to PERSI

	Use this Multiplier if you are a General Member	Police/Fire Member
Up to September 30, 1992	1.667%	2.000%
October 1, 1992 to September 30, 1993	1.750%	2.075%
October 1, 1993 to September 30, 1994	1.833%	2.150%
October 1, 1994 to June 30, 2000	1.917%	2.225%
July 1, 2000 and after	2.000%	2.300%

## Examples of Base Plan Benefit Calculations

These examples illustrate benefit formula calculations for members retiring at Service Retirement Age with no reductions. These may not reflect what your particular benefit might be. Each individual's retirement benefit is unique due to the variety of factors involved in the calculations.

### General Member

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Final contributions made on October 1, 1997.

Average Monthly Salary (42 months)	\$2,000.00
x Multiplier	x .01917
x Total Months of Credited Service	x 250

= Annual Benefit	= \$9,585.00
÷ 12 Months	÷ 12

= Monthly Benefit	= \$798.75
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### General Member

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Final contributions made on October 1, 2002.

Average Monthly Salary (42 months)	\$2,000.00
x Multiplier	x .02
x Total Months of Credited Service	x 250

= Annual Benefit	= \$10,000.00
÷ 12 Months	÷ 12

= Monthly Benefit	= \$833.33
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### Police Officer/ PERSI Firefighter

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Final contributions made on October 1, 1993.

Average Monthly Salary (48 months)	\$3,000.00
x Multiplier	x .0215
x Total Months of Credited Service	x 240

= Annual Benefit	= \$15,480.00
÷ 12 Months	÷ 12

= Monthly Benefit	= \$1,290.00
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### Police Officer/ PERSI Firefighter

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Final contributions made on October 1, 2002

Average Monthly Salary (42 months)	\$3,000.00
x Multiplier	x .023
x Total Months of Credited Service	x 240

= Annual Benefit	= \$16,560.00
÷ 12 Months	÷ 12

= Monthly Benefit	= \$1,380.00
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# Base Plan Early Retirement

You may retire early (before reaching Service Retirement Age) if you:

- 1. Meet the minimum age requirement, AND
  - 2. Have at least 60 months of service.
- (Elected and appointed officials should contact PERSI regarding service requirements.)

You may retire early with an unreduced allowance if you are vested, meet the minimum age requirement and the requirements of the Rule of 80/90.

## Rule Of 80/90

You may receive an unreduced retirement allowance if your years of service, plus your age equal 90 (General Members) or 80 (Police Officer/PERSI Firefighters). You do not need to reach the Rule of 80/90 to retire. As long as you have reached minimum retirement age, and have at least 60 months of service, you may retire.

However, if you retire before reaching service retirement age or the Rule of 80/90, your benefit amount will be reduced.

## Early Retirement Reductions

If you retire before reaching Service Retirement Age or before reaching the Rule of 80/90, your retirement allowance will be reduced. The percentage of the deduction is based on the smaller of:

- 1. The number of years you are from Service Retirement Age at date of retirement, OR
- 2. How many years (also called “points”) you are from reaching the Rule of 80/90.

When your Base retirement allowance is calculated, PERSI automatically figures in the reduction that is most advantageous to you. If you work beyond Service Retirement Age or the Rule of 80/90, your retirement allowance continues to increase.

## Early Retirement Age Requirements

Member Type	Minimum Retirement Age	Rule of 80/90
General Member	<b>55</b> You may retire the first day of the month following the month you turn 55. For example, if you turn age 55 on May 15, you may retire June 1.	<b>Rule of 90</b> For an unreduced allowance, your years of service plus your age must equal 90.
Police Officer/ PERSI Firefighter	<b>50</b> You may retire the first day of the month following the month you turn 50. For example, if you turn 50 on March 22, you may retire April 1.	<b>Rule of 80</b> For an unreduced allowance, your years of service plus your age must equal 80.
Members with Mixed Service Both General Member & Police Officer/PERSI Firefighter service	<b>Between 50 - 55</b> The age depends on your ratio of general member to Police Officer/PERSI Firefighter service. (See page 32.)	<b>Rule of 80/90</b> For an unreduced allowance, your years of service plus your age must equal 80 to 90 depending on your ratio of general member to Police Officer/PERSI Firefighter service. (See page 32.)

## Early Retirement Reduction Examples

### Rule of 90

Barbara is a general member with 30 years of service. She is 60 years old, and therefore is five years away from Service Retirement Age. However, she may retire under the Rule of 90 with an unreduced benefit because

$$\begin{array}{r} 30 \text{ years of service} \\ + \text{ 60 years of age} \\ = 90 \end{array}$$

### Less than Rule of 90

Kathy has 28 years of service as a general member and is 60 years of age. She is five years away from Service Retirement Age,

$$\begin{array}{r} 65 \text{ service retirement age} \\ - \text{ 60 years of age} \\ = 5 \end{array}$$

but she is only two points away from the Rule of 90.

$$\begin{array}{r} 28 \text{ years of service} \\ + \text{ 60 years of age} \\ = 88 \end{array}$$

$$(90 - 88 = 2)$$

Kathy could work one more year adding both one year of service and one year of age to reach the Rule of 90,

$$\begin{array}{r} 29 \text{ years of service} \\ + \text{ 61 years of age} \\ = 90 \end{array}$$

or retire now with a reduction based on being two points away.

### Rule of 80

Peter is a Police Officer with 26 years on the force. He is 54 years old, and is therefore six years from Service Retirement Age. But, he may retire with an unreduced benefit because he has reached the Rule of 80.

$$\begin{array}{r} 26 \text{ years of service} \\ + \text{ 54 years of age} \\ = 80 \end{array}$$

### Less than Rule of 80

Doug is a PERSI Firefighter with 26 1/2 years of service. He is 51 1/2 years old. He is 8 1/2 years from Service Retirement Age, but just one year away from the Rule of 80.

$$\begin{array}{r} 26 \frac{1}{2} \text{ years of service} \\ + \text{ 51} \frac{1}{2} \text{ years of age} \\ = 78 \end{array}$$

$$(80 - 78 = 2)$$

Doug may work one more year adding one year of service and one year of age to retire under the Rule of 80,

$$\begin{array}{r} 27 \frac{1}{2} \text{ years of service} \\ + \text{ 52} \frac{1}{2} \text{ years of age} \\ = 80 \end{array}$$

or he may retire now with a reduction based on being two points away.

## Early Retirement Reduction Chart

If you retire before reaching Service Retirement Age or the Rule of 80/90, your retirement benefit will be reduced based on the number of years, or “points” early you are retiring.

### Example

If you retire two years or points early, your benefit will be reduced 6.00%, and you will receive 94.00% of your calculated service retirement benefit.

### Example

If your last contribution was after October 1, 1994, and you are eight years from Service Retirement Age or the Rule of 80/90, your benefit would be reduced 32.25%, and you would receive 67.75% of your calculated benefit. For example, if your benefit was to be \$1,000 but you had the 32.25% reduction, your monthly benefit would be \$677.50.

$$\$1000 \times .3225 = 322.5$$

$$\begin{array}{r} 1000 \\ - \quad 322.50 \\ = 677.50 \end{array}$$

Additional decreases are **not** made after retirement. Your benefit will not decrease each year you are retired. In fact, the opposite will occur – your benefit will be increased each year due to Cost of Living Allowances (COLAs) (see page 50). So, in the above example, the second year you are retired your monthly benefit would be \$677.50 + the COLA amount.

## Early Retirement Reductions

### First Five Years Early Retirement

	Year 1	Year 2	Year 3	Year 4	Year 5
% Reduction	3.00%	6.00%	9.00%	12.00%	15.00%
% You Receive	97.00%	94.00%	91.00%	88.00%	85.00%

### Second Five Years Early Retirement

	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Last Contribution Prior to 10/1/92</b>					
% Reduction	23.00%	31.00%	39.00%	47.00%	55.00%
% You Receive	77.00%	69.00%	61.00%	53.00%	45.00%
<b>10/1/92 - 9/30/93</b>					
% Reduction	22.25%	29.50%	36.75%	44.00%	51.25%
% You Receive	77.75%	70.50%	63.25%	56.00%	48.75%
<b>10/1/93 - 9/30/94</b>					
% Reduction	21.50%	28.00%	34.50%	41.00%	47.50%
% You Receive	78.50%	72.00%	65.50%	59.00%	52.50%
<b>10/1/94 and After</b>					
% Reduction	20.75%	26.50%	32.25%	38.00%	43.75%
% You Receive	79.25%	73.50%	67.75%	62.00%	56.25%

The chart shown here is a partial listing, based on whole years. Your actual reduction will be based on years and months. For example, if you were 1 1/2 years away from meeting the rule of 80/90, your reduction would be 4.5%, not 3% or 6%.

Benefits will be computed or estimated using the reduction rate in state law at the time of your last Base Plan contribution.



## Your Base Plan Retirement Payment Options

### Social Security Normal Retirement Age (SSNRA)

Because people are living longer, Social Security has raised the Social Security Normal Retirement Age (SSNRA) for individuals born after 1937. This will affect your PERSI benefit if you take a Social Security option at retirement.

Because PERSI does not administer Social Security benefits, we cannot answer questions relating to Social Security. Please contact the Social Security Administration directly with any questions you may have.

Call Social Security toll-free at 1-800-772-1213, visit their Web site at [www.SSA.gov](http://www.SSA.gov) or, to find your local office, look in the phone book under United States Government.

You have several payment options for your Base Plan retirement allowance. It is important that you understand the options available to you so that you may make an informed decision.

If you are married, your spouse must consent in writing to your option selection. This consent must be witnessed by a notary. This is because Idaho is a community property state, and your spouse must consent to giving up any part of your benefit to which he/she may be legally entitled.

If both you and your spouse are PERSI members, there will be no reductions in your benefits because of the marriage. Each benefit will be calculated individually.

### Regular Retirement Allowance

A regular allowance is a monthly benefit payable for your lifetime only. It is the benefit calculated from the formula on page 22 and reductions on page 26.

### Options 1 and 2

These options allow you to designate a Contingent Annuitant (CA) to receive a monthly allowance after your death.

Under either Option 1 or 2, a reduced monthly payment is made to you until your death and then a monthly payment is made to your CA until their death. If your date of last contribution was July 1, 1992, or later, you retire on or after October 1, 1992, and your CA dies first, your monthly payment will pop up or return to the higher regular retirement allowance.

The amount of the reduction (compared to your regular retirement allowance) is determined by the age difference between you and your CA, and your choice of payment options.

#### Option 1 - 100% Contingent Annuitant Allowance

After your death, your CA will receive the same monthly amount you had been receiving. This will continue for the remainder of your CA's life.

### Social Security Normal Retirement Age (SSNRA)

If your year of birth is:	Your SSNRA is:
up to 1937	65 years, 0 months
1938	65 years, 2 months
1939	65 years, 4 months
1940	65 years, 6 months
1941	65 years, 8 months
1942	65 years, 10 months
1943-1954	66 years, 0 months
1955	66 years, 2 months
1956	66 years, 4 months
1957	66 years, 6 months
1958	66 years, 8 months
1959	66 years, 10 months
1960 on	67 years, 0 months

**Option 2 - 50% Contingent Annuitant Allowance**  
After your death, your CA will receive one-half the monthly amount you had been receiving. This will continue for the remainder of your CA's life.

### Option 3 - Social Security Adjustment

This option is available only to members who retire before Social Security Normal Retirement Age (SSNRA). It provides an increased retirement allowance before SSNRA and a reduced allowance after SSNRA. It is payable to you for your lifetime only. SSNRA is age 65 for those born before 1938. For those born later, SSNRA is between ages 65 and 67.

The adjustment is based on the estimated benefit you will receive from Social Security at SSNRA. For PERSI to calculate this option, you will need to provide an estimate from Social Security. The acceleration is based on your age and the number of years that you are from your SSNRA. It will not be adjusted if your Social Security benefit is different than your estimate.

Option 3 utilizes a complicated formula involving a number of factors including your age, years of service, average salary, your Social Security estimate, and more. If you would like more information about the Social Security adjustment option, please call PERSI.

### Options 4a and 4b - Social Security Adjustment with CA Allowance

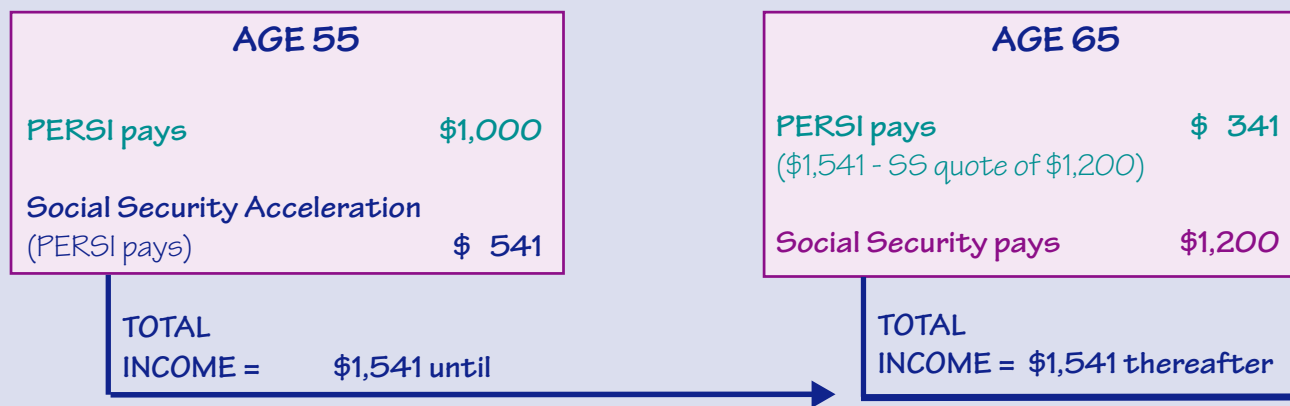
A modification of Option 3, this choice reduces your monthly PERSI benefit. However, upon your death, a monthly payment is made to your designated CA for the rest of his or her lifetime.

- Option 4A - Provides 100%
- Option 4B - Provides 50%

Under Option 4a or 4b, if your date of last contribution was July 1, 1992, or later, you retire on or after October 1, 1992, and your CA dies first, your allowance will pop up to the higher Option 3 Social Security Adjustment.

## Example Of The Social Security Retirement Option

This illustrates how payment of the Social Security Option works. It is for purposes of comparison only and may not reflect what your particular benefit might be. Each individual's retirement benefit is unique due to the variety of factors involved in the calculations. **In this example notice that although the total income remains constant, the PERSI benefit drops at Social Security Normal Retirement Age 65 from \$1,000 to \$341.**



This chart assumes:

PERSI reduced estimated benefit for age 55 = \$1,000  
Social Security Quote for age 65 = \$1,200  
(\$1,200 x .451 for retiring at age 55 = \$541)

- PERSI benefit
- Social Security benefit
- Retirement Option 3 - Social Security acceleration (PERSI pays)



## Contingent Annuitant Option Factors

At retirement, you may name a Contingent Annuitant (CA) to receive a monthly allowance after your death. This reduces your benefit during your lifetime. The amount of the reduction (compared to your regular retirement allowance) is determined by the age difference between you and your CA, and your choice of payment options.

### To calculate the approximate reduction:

1. Find the age difference between you and your Contingent Annuitant (CA).
2. Multiply the factor by your monthly benefit.

### Example:

If your monthly benefit is \$1,200 and you are 10 years older than your CA and you choose Option 1

$$\begin{array}{r} \$1,200 \\ \times .735 \\ \hline \$ 882 = \text{your Option 1 benefit} \end{array}$$

### Example:

If your monthly benefit is \$1,200 and you are seven years younger than your CA and you choose Option 2

$$\begin{array}{r} \$1,200 \\ \times .960 \\ \hline \$ 1,152 = \text{your Option 2 benefit} \end{array}$$

### Member Older Than CA

Age Difference in Years	Factors	
	Option 1	Option 2
15 or more*	.690	.810
14	.700	.816
13	.710	.822
12	.720	.828
11	.730	.834
10	.735	.840
9	.740	.846
8	.745	.852
7	.750	.858
6	.755	.864
5	.760	.870
4	.765	.876
3	.770	.882
2	.785	.888
1	.800	.894
0	.815	.900

### Member Younger Than CA

Age Difference in Years	Factors	
	Option 1	Option 2
0	.815	.900
1	.835	.915
2	.855	.925
3	.875	.935
4	.890	.945
5	.900	.950
6	.910	.955
7	.920	.960
8	.930	.965
9	.940	.967
10	.944	.969
11	.946	.971
12	.948	.973
13	.950	.975
14	.952	.977
15 or more	.954	.979

\* For each year the member is more than 15 years older, subtract .01 from .690 for Option 1 or .810 for Option 2.

## Base Plan Retirement Payout Option Advantages & Disadvantages

Payment Option	Advantages	Disadvantages
<b>Regular Retirement</b>	Provides the largest retiree benefit. It may be the appropriate choice if you have no dependents, or if your spouse would have adequate income from investments and other sources after your death.	Monthly payments stop when you die. No Contingent Annuitant (CA) protection is provided.
<b>Option 1 100% CA Allowance</b>	Provides income to your CA after your death. If your CA dies first, your benefit will pop up to the higher regular retirement amount.	The monthly amount you receive is reduced because it must last two lifetimes. This reduced amount may not provide an adequate income while you both are living.
<b>Option 2 50% CA Allowance</b>	Provides income to your CA after your death. If your CA dies first, your benefit will pop up to the higher regular retirement amount.	The monthly amount you receive is reduced because it must last two lifetimes. This reduced amount may not provide an adequate income while you both are living.
<b>Option 3 Social Security Adjustment</b>	Provides the largest income until your SSNRA, and may be the appropriate choice if you knew you were not expected to live past your SSNRA.	<b>At your SSNRA, your benefit will drop—often significantly. It could even drop to zero.</b> Often, retirees forget that the reduction will occur and are unprepared when it does. Monthly payments stop when you die. No CA protection is provided.
<b>Option 4a 100% CA/Social Security</b>	Provides a larger benefit until your SSNRA. Also provides income to your CA after your death. If your CA dies first, your benefit will pop up to the higher Option 3 amount.	<b>At your SSNRA your benefit will drop—often significantly. It could even drop to zero.</b> Often, retirees forget that the reduction will occur and are unprepared when it does.
<b>Option 4b 50% CA/Social Security</b>	Provides a larger benefit until your SSNRA. Also provides income to your CA after your death. If your CA dies first, your benefit will pop up to the higher Option 3 amount.	<b>At your SSNRA your benefit will drop—often significantly. It could even drop to zero.</b> Often, retirees forget that the reduction will occur and are unprepared when it does.

To help you pick the right option for your own situation, at retirement PERSI will provide you estimates for each of the options.



# Comparison Of Base Plan Retirement Options

This chart illustrates the differences between the available retirement options. **It is for purposes of comparison only and may not reflect what your particular benefit might be. Each individual's retirement benefit is unique due to the variety of factors involved in the calculations. When you apply for retirement, each of the option amounts will be estimated especially for you.**

In this example: Member is age 55. Contingent annuitant (CA) is age 54. Member's estimated Social Security benefit is \$1,200 a month at Social Security Normal Retirement Age (SSNRA) of age 65. Your SSNRA will be higher if you were born after 1937. Member's regular retirement allowance is \$1,000 a month. The amounts shown do not include annual PERSI or Social Security Cost of Living Adjustments (COLAs).

Retirement Option	Member's Monthly Allowance	CA's Monthly Allowance After Member's Death
Regular Retirement	\$1,000	\$ 0
Option 1 - 100% CA Allowance	800	800
Option 2 - 50% CA Allowance	894	447
Option 3 - Social Security Adjustment until Member's SSNRA after Member's SSNRA	1,541 341	0 0
Option 4a - 100% CA/Social Security until Member's SSNRA after Member's SSNRA	1,341 141	1,341 141
Option 4b - 50% CA/Social Security until Member's SSNRA after Member's SSNRA	1,435 235	717 117

Retiring With Mixed Service

Members with mixed service have part of their service as a general member and part as a Police Officer/ PERSI Firefighter. If you have mixed service, the age at which you are eligible for early or service retirement is determined by calculating your service retirement ratio. The service retirement ratio will also determine when you may retire with an unreduced allowance under the Rule of 80/90. (Certain exceptions apply to individuals who were active members of PERSI on June 30, 1985. Please contact PERSI for more information.)

Example of Mixed Service Retirement Ratio Formula

Steve worked as a Police Officer for 60 months, and for 300 months as a general member, for a total of 360 months of credited service. His formula would be

60 months / 360 months = .16667

Using **Chart 1**, Steve can tell that his Early Retirement Age is 54 and his Service Retirement Age is 64.

Looking at **Chart 2**, Steve can tell that with .16667 as his service retirement ratio, his age plus years of credited service must equal 88 for him to retire early with an unreduced benefit.

MIXED SERVICE RETIREMENT RATIO FORMULA

months of service as police officer / total months of credited service = Service Retirement Ratio

CHART 1		
Service Retirement Ratio	Service Retirement Age	Early Retirement Age
0.000 to 0.100	65	55
0.101 to 0.300	64	54
0.301 to 0.500	63	53
0.501 to 0.700	62	52
0.701 to 0.900	61	51
0.901 to 1.000	60	50

CHART 2	
Service Retirement Ratio	Rule of 80 - 90
0.000 to 0.050	90
0.051 to 0.150	89
0.151 to 0.250	88
0.251 to 0.350	87
0.351 to 0.450	86
0.451 to 0.550	85
0.551 to 0.650	84
0.651 to 0.750	83
0.751 to 0.850	82
0.851 to 0.950	81
0.951 to 1.000	80

## Example: Service Retirement Allowance Formula for Mixed Service

Your service retirement benefit is based on your highest average monthly salary (gross salary) over a base period and your total months of service. If you have mixed service, your benefit is computed with both the general member and the Police Officer/PERSI Firefighter formulas to arrive at your monthly allowance.

If you retire before reaching Service Retirement Age and if you have not met the Rule of 80/90, the early retirement reduction on page 26 will be used to determine the amount of your reduction.

In this example, the member is Service Retirement Age with 180 months as a general member and 70 months as a police/PERSI Firefighter member. The example shows a regular retirement allowance with no reductions.

Highest average monthly salary	\$2,000.00
x general member multiplier (see page 22)	<u>x .02</u>
	= \$40.00
x total months of credited service as a general member	<u>x 180</u>
= Annual Benefit as General Member	= \$7,200.00

Same highest average monthly salary	\$2,000.00
x Police/PERSI Firefighter multiplier (see page 22)	<u>x .023</u>
	= \$46.00
x total months of credited service as a Police/PERSI Firefighter member	<u>x 70</u>
= Annual Benefit as Police/Firefighter	= \$3,220.00

Add both annual benefits	\$7,200.00
	+ <u>\$3,220.00</u>
= Annual Benefit with Mixed Service	= \$10,420.00

divided by 12	<u>÷ 12</u>
= Monthly Benefit with Mixed Service	= \$868.33

## Changing Your Retirement Option

After you retire, you may change your payment option only if you marry or remarry and name your spouse as your contingent annuitant within one year of the date of the marriage provided that:

- You were not married at the time of retirement, OR
- You chose a contingent annuitant option at retirement, named your then-spouse as CA, and that spouse has since died.

If the type of benefit you receive is different from the option you thought you chose, you may petition PERSI to change your option if you notify PERSI within five days of receiving your first retirement payment. Otherwise, your choice is irrevocable.

## Deferring A Retirement Benefit

If you have stopped working and meet the eligibility requirements for early retirement but want to postpone receiving your benefit, you may defer payment until a later date. You may not postpone applying for your benefit past Service Retirement Age.

It is very important to keep PERSI informed of your address if you leave work and wish to defer retirement.

Your employee contributions and interest must remain in PERSI to maintain your retirement eligibility.

## How Employment After Retirement Affects Your Payments

After retirement, you may work wherever you want, as much as you want without affecting your Base Plan retirement benefit, unless you work for an Idaho public employer that is a member of PERSI.

If, as a retired member, you want to work for a PERSI employer and continue receiving your retirement payments, you may do so if you work in a position that is less than 20 hours per week (less than 1/2 contract for teachers), OR if your employment does not total five consecutive months AND your employer will so

certify. If you work less than 20 hours per week or less than five consecutive months, no employee or employer contributions are made and no new retirement credits are earned.

If, as a retired member, you work for a PERSI employer 20 hours or more per week for five consecutive months or longer, you return to active member status. Your Base Plan retirement allowance stops, employer and employee contributions resume, and you begin to earn additional retirement credits. Both employer and employee contributions for all months worked will be due to PERSI. Any retirement benefit paid after you returned to work must be reimbursed to PERSI.

When you return to retired status, your original retirement allowance will resume plus the additional allowance calculated on the service earned during your period of reemployment. (If that period of reemployment turns out to be less than five months, your contributions made during that time will be returned and your retirement allowance will be paid from the date it was discontinued.)

Or you may choose to repay all the benefits you received (including interest) instead of having the additional allowance calculated on the credits earned during your period of retirement. You may then have your benefit recalculated as if you had never retired.

If you retire early (before age 65 general members/60 police members), you may not retire and then return to work for the same employer within 90 days, even if for less than 20 hours per week. In addition, there can be no "promise" of re-employment with that employer at the time of retirement. If either of these occur, the IRS considers there is no break in service and therefore you continue to be an active PERSI member. You, not PERSI, are responsible for any noncompliance with IRS law.

If you reenter employment as an elected or appointed official, you will not return to active member status unless you work 20 hours or more per week. If you work less than 20 hours, your retirement allowance will continue, but you will not earn additional retirement and your employee contributions will not resume.